

COSTING CARERS' RIGHTS TO A BREAK

COMMENTS ON THE REVISED FINANCIAL MEMORANDUM OF DECEMBER 2023 TO THE NATIONAL CARE SERVICE (SCOTLAND) BILL 2022

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EXECUTIVE SUMMARY

Social Work Scotland welcomes the Scottish Government's intention to provide a new legal right for unpaid carers in Scotland to be able to take a break from caring if they wish to. As well as being an important extension in human rights for about one in five of Scotland's population, improved support to unpaid carers is a key part of reducing or deferring the need for greater volumes of formal care services. Provided the policy is adequately funded, it should make an important contribution to the future sustainability of both the National Care Service and the NHS. The burden of our detailed analysis is that key aspects of the costings provided in the revised Financial Memorandum for the National Care Service (Scotland) Bill are too low, and should be revisited.

We acknowledge the difficulties in costing such legislation, and were active participants with COSLA and the National Carer Organisations in a 2021-22 working group that assisted the Scottish Government to develop the detailed costing model underpinning the carers' section in the Financial Memorandum for the National Care Service (Scotland) Bill 2022. Both the original and revised Financial Memoranda cannot be fully understood without access to the detailed costing model for carers' right to a break. **In the interests of transparency, we believe that the costing model, and the associated spreadsheets should be placed in the public domain**, on appropriate Scottish Government or Scottish Parliament website pages.

The revised costing model, and associated supplementary tables, allow us to compare the *central estimates* in the original and revised Financial Memoranda at constant prices. In the carers section of the FM, the minimum and maximum estimates are all based on the central estimates, which the costing model describes as the "most likely", and therefore do not represent alternative scenarios in the same way as in the costing of the National Care Service (NCS).

Table A: Comparison of 2022 and revised 2023 NCS FM central estimate costs for carers' right to a break, at 2023-34 unit costs and constant prices (i.e. before inflation is added)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
FM	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M
Costs for funding to LAs & Integration Authorities for assessed short breaks and replacement care												
2023	0.0	0.0	16.0	32.0	48.1	64.1	80.1	96.1	112.2	128.2	144.2	160.2
2022	0.0	0.0	12.2	25.0	37.8	50.0	62.2	75.0	87.8	100.0	112.8	125.0
Steady state in 2034-35 is now £35.2M (28%) higher												
Costs for funding voluntary organisations for "easy access breaks"												
2023	0.0	5.0	10.0	15.0	20.0	25.0	30.0	30.0	30.0	30.0	30.0	30.0
2022	11.0	16.5	22.0	27.5	33.0	38.0	39.1	39.1	39.1	39.1	39.1	39.1
Steady state in 2034-35 now £9.1M (28%) lower												
TOTAL COSTS FOR INCREASED SUPPORT TO CARERS												
2023	0.0	5.0	26.0	47.0	68.1	89.1	110.1	126.1	142.2	158.2	174.2	190.2
2022	11.0	16.5	34.2	52.5	70.8	88.0	101.3	114.1	126.9	139.1	151.9	164.1
Steady state in 2034-35 is now £26.1M higher												

Notes: These are all **additional costs**. However, **the additional £5M shown for "easy access breaks" in 2024-25 is not in the Scottish Budget**: we understand that current short breaks funding for voluntary organisations is planned to stay at £8M.

As can be seen, the steady state 2034-35 costs for LAs/Integration Authorities are £35.2M (28%) higher in real terms than in the 2022 FM (at constant 2023-34 prices). By contrast, the smaller funding stream of grants to voluntary organisations for "easy access breaks" has been *reduced* by £9M (*minus* 23%). Social Work Scotland welcomes an uprating of the unit costs, and some

additional costs for “demography” (discussed later), and we also welcome the inclusion of replacement care to enable young carers to have a break from caring, all of which were missing from the original 2022 FM. However, we continue to have concerns about six key issues:

1. There are **anomalies in some of the unit costs**, particularly for short breaks, and also in the use of different inflation and demography estimates to those used elsewhere in the revised FM.
2. The continuing **absence of any costings for additional carer assessments** undertaken by councils in response to increased demand arising from the new carer rights.
3. **Reductions and delays in the funding** of additional “**easy access breaks**” are likely to lead to increased demand on councils, and are not compatible with prevention or increasing demand.
4. The **long phasing for funding of carers rights to a break** does not seem consistent with investment in prevention.
5. The costing relies solely on the Scottish Health Survey for the **prevalence estimate of adult carers** when this is known from other population surveys to under-count adult carers.
6. There are problems with the **estimates for current funding**, which are subtracted from the costing model's gross outputs to produce the net costs in the FM for the right to breaks from caring for unpaid carers.

We briefly summarise each of these in turn; the supporting evidence and argument is in the detailed paper.

1. Unit Costs, Inflation and Demography

The short breaks and home care unit costs **should be reviewed**. The **unit cost for Local Authority arranged breaks** (£374.40) is ultimately based on a £300 figure in the 2015 Carers (Scotland) Bill FM¹ sourced from a 2011-12 report on *Time to Live* short breaks grants. Had the full inflation been applied to the original £300 figure (using the same CPI dataset used elsewhere in the revised FM), then the **£374.40 unit cost would need to be increased to £402**, a 7% increase. It is also the case that services organised by councils often have higher unit costs than those provided by the third sector, so modelling council costs for short breaks on average *Time to Live* grants, might itself understate the LA costs.

Published data from Shared Care Scotland shows the average *Time to Live* short breaks grants was still only £311 in 2022-23. The reason appears to be that increases in Scottish Government funding have not kept pace with rising demand, resulting in a real terms reduction in the value of payment across more carers. In that context, whilst increasing the **easy access breaks unit cost** to £330 in the revised FM is welcomed, it is still well below the £400 required to cover 12 years of inflation.

The other unit costs in the costing models look very reasonable, apart from the **home care costs** (used for non-residential replacement care) which have scarcely moved from £21 per hour, raising questions as to how providers could absorb Real Living Wage increases and other inflationary pressures.

¹ Footnote 51 on page 46 of FM 2015 said: “An assumed unit cost of £333 would therefore appear reasonable [for the costs of support to assessed eligible carers, based on UK Government estimates for England] and is known to be more than some of; the *Time to Live* grants which carers in Scotland receive directly from organisations which have been funded by the Scottish Government via Shared Care Scotland. [...] The evaluation of *Time to Live* (2012-13) quotes the average grant awarded as £304 but with considerable variation across the country”.

In our detailed paper we agree with the use of **CPI inflation estimates** rather than the GDP deflator, but raise **the need for inflation to be revisited prior to inclusion of FM cost estimates in any future Scottish Budgets**. We note that the CPI estimates used in the revised FM have been replaced by newer forecasts by the OBR and SFC in November and December 2023.

There is also an important difference in **how inflation is applied** between NCS and carer sections of the revised FM, which is less favourable to the carers funding. The NCS costings use CPI only for *non-staff* costs (see FM page 10), preferring 5% for direct care staff and 2.8% for other staff (see section 1.3 in our main paper).

The addition of costs for future **demography increases** in the numbers of carers is a novel addition to the right to breaks costings. We note that the calculations imply 1.4% year on year growth; somewhat less than the 3% annual demography added in FM Table 2 to social care and community health expenditures, albeit only on an “illustrative” basis. In any event, we argue in section 5 below that the survey estimates used for the number of adult carers in the costing model require review, and future monitoring.

2. Increased demand for carers assessments has not been costed

It is implausible to think that a new right to a break, contingent on assessed unmet need, will not result in additional demand for assessments. The Carers Act provided a right to an assessment², but with subsequent access to support dependent on meeting local eligibility criteria. So, the new right to a break with the removal of eligibility should provide carers with stronger reasons for requesting an assessment. (Local Authorities, and through them Integration Authorities, are the legal duty bearers).

The NCS FM includes no costings for additional assessments. Instead, as FM paragraph 75 explains, the costing model assumes that the “steady state” proportions of adult and young carers who have a current ASCP (34%) or YCS (64%) will be the same as assumed in the previous Financial Memorandum³ for the Carers (Scotland) Bill (passed in 2016, and implemented by additional funding to councils over the five years from 2018-19 to 2022-23). **By retaining these same percentages, it is implied, the need to fund additional assessments has been avoided.**

But the total numbers of carers to which these percentages apply has *increased* since the 2015 FM for the Carers Act, and those additional assessments are not funded. Moreover, the 2015 FM estimates were at 2013-14 prices and went into the local government finance settlements in each year to 2022-23 at those values with no inflation added! Furthermore, the estimate that 34% of adult carers would need an assessment was based on 2011-12 satisfaction rates from the biennial Health & Care Experience Survey (HACE), and carer satisfaction has declined markedly since then (see graph on page 15 in main paper).

Finally, the Covid pandemic period will have reduced new carer assessments. The monitoring data from the Carers Census is poor (see section 2.2 in the main paper) and we will need to use data from the carer assessment question in the HACE Survey for 2023 (when published in May 2024) to see whether assessment levels have recovered. There should be **an explicit government commitment to review the demand for carers assessments**, and also **develop with partners an improvement plan for the Carers Census**. Without adequate funding for LA assessments, the new right to a break will not be realised.

3. Reductions in the cost estimates for “easy access breaks”

Easy Access Breaks are funded by the Scottish Government under existing Ministerial powers in the form of grants to Shared Care Scotland (currently £5.8M) and the Family Fund (£2.2M) to

² In the Carers Act, assessments of carers needs are called *Adult Carer Support Plans*, and *Young Carers Statements* – hence “ASCPs” and “YCSs” in the NCS Bill FM.

³ The revised NCS FM gives the reference to the 2015 FM for the Carers Bill in footnote 11 on page 37: [https://archive2021.parliament.scot/S4_Bills/Carers%20\(Scotland\)%20Bill/b61s4-introd-en.pdf](https://archive2021.parliament.scot/S4_Bills/Carers%20(Scotland)%20Bill/b61s4-introd-en.pdf).

support short breaks payments and schemes largely delivered by local carers centres. These schemes are over-subscribed. Additional funding is included in the NCS Bill FM as a means of providing more short breaks to meet carers' needs. This will of course reduce some of the increased pressures on local authorities, discussed above, following the passage of the right to a break legislation within the NCS Bill, that right being to have met *assessed unmet need* for a break.

The revised FM shows increases of £5M per year starting in 2024-25, a year later than in the 2022 FM, but since this is not in the Scottish Budget there will be a further year's delay at least. Supplementary tables provided to COSLA show that the revised FM is providing additional annual funding of £30M (at 2023-24 prices) from the first "steady state" year (2029-30), when the 2022 FM would have provided £40M at the same prices. **Delaying and reducing the proposed investment in Easy Access Breaks is not consistent with prevention strategies.** At a minimum, these reductions should be restored, and delivery timescales shortened.

The development of local carers centres has been an important feature of the last decade but do not exist in many areas⁴. In its 2022 response to the parliamentary committees' call for views, Social Work Scotland said there is **a strong case for a funded strategic investment programme in carer support infrastructure alongside increasing funding for Easy Access Breaks grant schemes**. That would also reduce pressures on local authorities, freeing them to concentrate on carers with complex or multiple needs for support, and on organising replacement care when needed for the person cared for.

Social Work Scotland supports the call from the National Carers Organisations, in recent meetings with the Minister, for the new right to a break for carers to be underpinned by a **national improvement strategy**, backed by sufficient investment, to guarantee unpaid carers' access to a diverse and readily available selection of short breaks and respite care, as recommended by IRASC. We agree that a **national task force** should be set up now.

4. Overlong phasing for funding carers rights to a break

It is widely recognised across the UK that the health and social care systems are in a state of crisis. Yet whilst adequate support for carers is one of the most important factors in reducing, or deferring, demand and need for formal care services, most carers receive no support and **only 3-4% reporting having breaks from care**⁵. A funded investment strategy for unpaid carer support, which addresses barriers to meeting the needs of carers in their communities, is an urgent priority, sitting alongside the welcome improvements to carers' benefits.

It is important that additional short breaks funding is in place more quickly to support authorities in carrying out the duties the new Right to Breaks would bring. As we explain in our main paper following this summary, the current phasing is based on an inadequate data source, and **should be reviewed**.

5. The FM costing model under-estimates the number of adult carers in Scotland

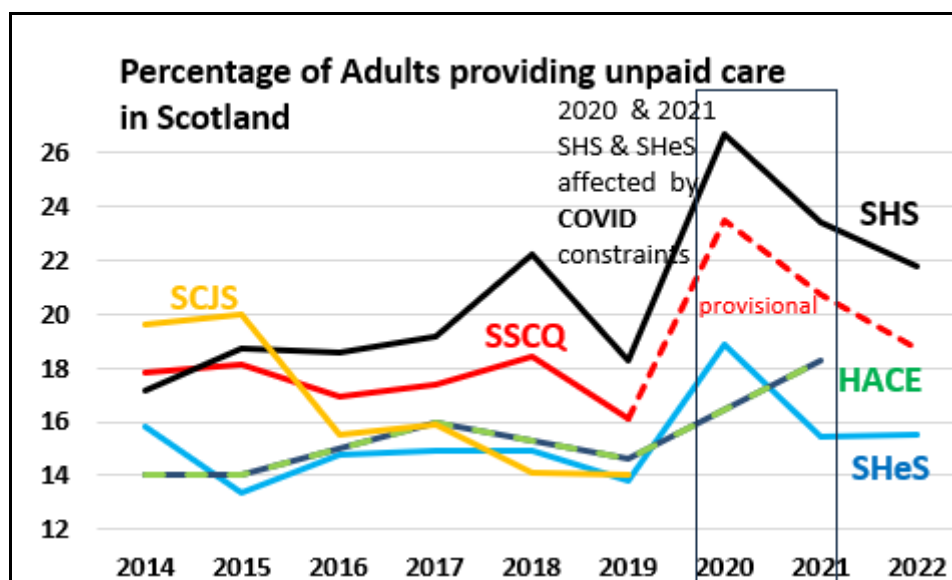
For the prevalence of young carers, the Scottish Health Survey is the only source, but for adult carers there is a choice of three interview-based Scottish Government general population surveys whose results are also available combined in the *Scottish Surveys Core Questions* (SSCQ) dataset⁶. SSCQ necessarily has a higher combined sample size than any single survey, with less sampling errors and more stability over time.

⁴ <https://careinfoscotland.scot/topics/support-for-carers/carers-centres/>

⁵ Scottish Health Survey data: 68% of adult carers reported receiving no support in the 2016-19 combined Scottish Health Surveys; and 66% in the 2018-22 combined surveys. 3% reported received "short breaks/respite" in Scottish Health Survey 2016-19 and 4% for 2018-22 - probably not a "statistically significant" increase.

⁶ Scottish Surveys Core Questions (SSCQ) combines the three Scottish Government interview-based surveys: Scottish Health Survey (SHeS), the Scottish Household Survey (SHeS), and the Scottish Crime and Justice Survey (SCJS).

As shown in the graph below, the Scottish Health Survey (SHeS) has consistently reported lower numbers of adult carers than the Scottish Household Survey (SHS), the combined SSCQ survey data, or the large, questionnaire-based Health & Care Experience (HACE) survey of adults registered with a GP. The reasons are explored our fuller analysis paper. The 2022 FM also used Scottish Health Survey data for adult carers but for the segmentation of carers into different groups, necessary for the costing model, it used the distribution of hours of care from the 2016-19 combined SSCQ dataset; this was replaced for the revised FM by the distribution in the Scottish Health Survey, which under-counts low-intensity carers (who are the largest group). We believe that **the costing model should be re-run** when the 2018-2022 *Scottish Surveys Core Questions* dataset is available in March 2024.



6. Problems with the estimates of current funding for carers breaks used to produce net FM costings

The Scottish Government's detailed spreadsheet costing model for carers breaks support calculates gross steady state costs, and then subtracts an estimate of current funding. The central estimate takes the gross outputs from the costing model of £333.9M, and deducts an estimate of £143.5M for current funding, leaving a net expenditure requirement of £190.4M for carers rights to a break.

Unfortunately, **the £143.5M estimate for current funding only includes robust figures for two of the three items**: the Carers Act funding to LAs for short breaks (£57.7M) and the Scottish Government Short Breaks grants fund (£8M). The missing element is the legacy funding to LAs for short breaks prior to Carers Act. Instead of seeking to source this from Grant Aided Expenditure statistics, a calculation was based on Scottish Health Survey data for 2016-19 which reports that 3% of adult carers aged 16+ had "short breaks/respite". It was assumed that *all* of the 3% of carers had been supported to have their break by councils rather than by family members (who remain the largest sources of support to carers), or the third sector. The 3% was multiplied by the adult carer population estimate and then by the average annual costs per carer (as calculated in the costing model for breaks support) to produce a figure of £77.8M for legacy *expenditure*, which a further assumption made equal to legacy *funding*.

That seems quite a fragile set of assumptions on which to base a deduction of £77.8M from the gross costing model outputs. To be sure, using Grant Aided Expenditure statistics as an alternative source of data on legacy funding is not without some problems since they are *inputs* to the revenue support grant calculations rather than funding *outputs*. However, this alternative source, which gives lower numbers for legacy funding, still has a more robust relationship to funding than the above arithmetic around the 3% figure. **This crucial issue, alongside the others set out in this paper, requires urgent review.**

COSTING CARERS' RIGHTS TO A BREAK

0. INTRODUCTION AND OVERVIEW

We welcome the Scottish Government's intention to provide a new legal right for unpaid carers in Scotland to be able to take a break from caring if they wish to. As well as being an important extension in human rights for about one in five of Scotland's population, improved support to unpaid carers is a key part of reducing or deferring the need for greater volumes of formal care services. Provided the policy is adequately funded, it should make an important contribution to the future sustainability of both the National Care Service and the NHS. The burden of the present paper is that key aspects of the costings provided in the revised Financial Memorandum for the National Care Service (Scotland) Bill are too low, and should be revisited.

Lack of transparency remains a problem for the revised section of the Finance Memorandum (FM) on the costs of the proposed "rights to breaks from caring" for unpaid carers, as it also does for the main National Care Service costings. This is only partly due to the complexity of the carer calculations, which are based on a detailed spreadsheet costing model for carers breaks support originally developed in partnership with COSLA, Social Work Scotland and the national carer organisations in 2021-22, but with the final model and values for all variables decided subsequently by the Scottish Government. It is largely these valuations that are the subject of this paper; the cost model itself remains an impressive piece of work.

Civil servants have kindly made the revised costing model available to COSLA, as they did also to Social Work Scotland (SWS) in 2022, together with associated spreadsheets on the phasing, inflation and demography – without access to this information it would not be possible to fully understand the basis for the estimated revised costs. **Improved transparency would require a fuller account in the FM, with the detailed costing model and documentation also put into the public domain on the Scottish Government website.**

In particular it is difficult to compare the revised FM costs with the previous ones because **so many of the variables have changed**: the unit costs, inflation (which was missing in 2022), carer prevalence, demography, and phasing. Our analyses, using the unpublished data supplied by civil servants, provide the basis for concerns about the following key issues:

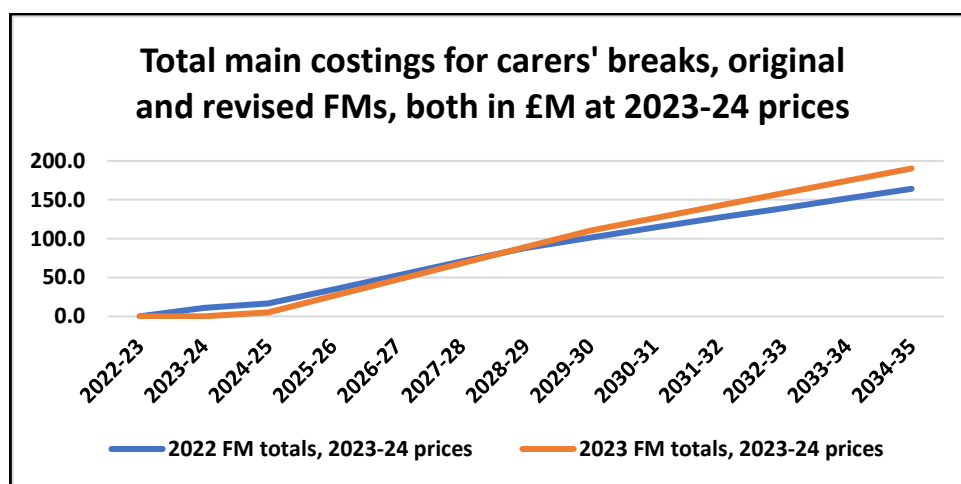
1. There are **anomalies in some of the unit costs**, particularly for short breaks, and also in the use of different inflation and demography estimates to those used elsewhere in the revised FM.
2. The continuing **absence of any costings for additional carer assessments** undertaken by councils in response to increased demand arising from the new carer rights.
3. **Reductions and delays in the funding** of additional "easy access breaks" are likely to lead to increased demand on councils, and are not compatible with prevention or increasing demand.
4. The **long phasing for funding of carers rights to a break** does not seem consistent with investment in prevention.
5. The costing relies solely on the Scottish Health Survey for the **prevalence estimate of adult carers** when this is known from other population surveys to under-count adult carers.
6. There are problems with the **estimates for current funding**, which are subtracted from the costing model's gross outputs to produce the net costs in the FM for the right to breaks from caring for unpaid carers.

Alongside these concerns, there are of course **changes that we welcome**. These include additional costings for inflation and demography, and the inclusion of replacement care to enable young carers to have a break from caring, all of which were not included in the original 2022 FM. **The net result of all the changes has been to increase the cost estimates for local and integration authorities for the new right to breaks from caring**, comparing like for like at constant 2023-24 prices, **but also to reduce additional grants to voluntary organisations** to fund more “easy access breaks”⁷, which does not seem consistent with the NCS focus on prevention.

These results are shown in the graphs and tables below, which are for the central estimates, not the maximum and minimum ranges. This is because the central estimates are labelled in the costing model as “most likely”, while the ranges also given in the FM are understood to be simple percentage variances, rather than addressing any substantial uncertainties about particular assumptions or data estimates use in the calculations.

We have revalued the original FM figures using the same unit costs used for the revised FM to put them on the same price basis as the revised FM figures subsequently provided to COSLA at 2023-24 prices in supplementary tables. It should be noted, however, that those inflation assumptions have already been replaced by higher OBR and SFC forecasts in their respective November and December 2023 reports.

Total costings for support to carers have increased in real terms between the original and revised FMs:



Under the phasing assumptions, the “steady state” estimated by the costing model is not achieved until 2034-35. In that year, the revised FM total costing of £190.2M is £26.1M (16%) higher than the original FM figure of £164.1M as revalued to 2023-24 prices.

Table A: Comparison of 2022 and revised 2023 NCS FM central estimate costs for carers’ right to a break, at 2023-34 unit costs and constant prices (i.e. before inflation is added)

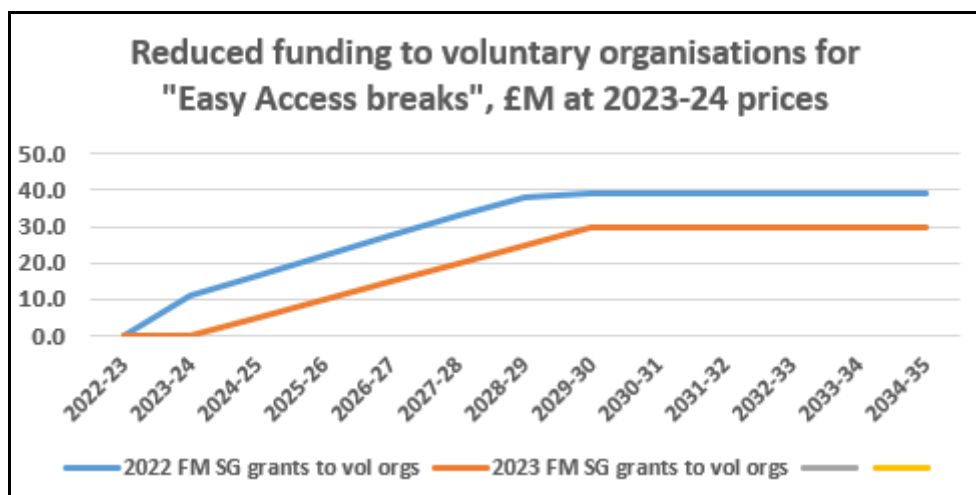
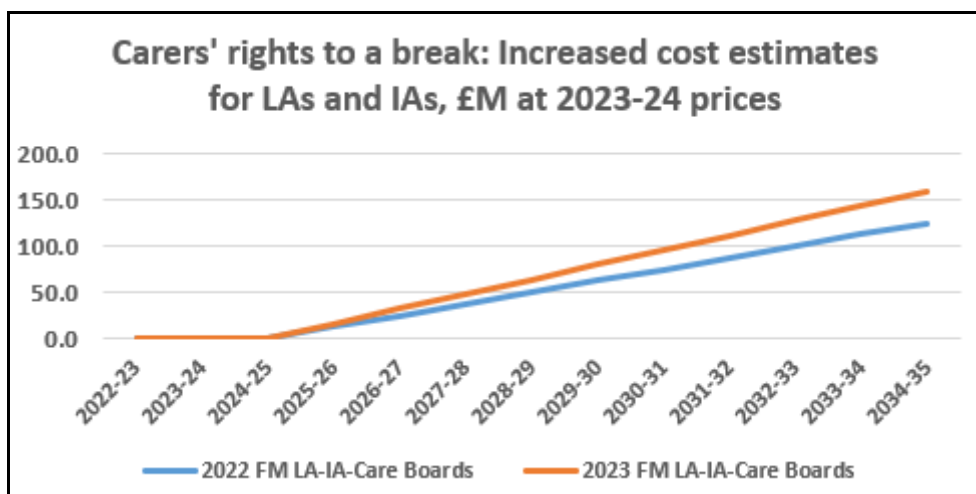
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FM	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M
Costs for funding to LAs & Integration Authorities for assessed short breaks and replacement care												
2023	0.0	0.0	16.0	32.0	48.1	64.1	80.1	96.1	112.2	128.2	144.2	160.2
2022	0.0	0.0	12.2	25.0	37.8	50.0	62.2	75.0	87.8	100.0	112.8	125.0

⁷ “This will build on existing non-statutory voluntary sector short breaks funding. These schemes provide micro grants schemes for unpaid carers to help them take short breaks that meet their needs. Individual grants can be used flexibly, e.g. for a weekend away, entertainment subscription or sporting or hobby equipment” [revised and original FM, para 70]

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
FM	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M
Steady state in 2034-35 is now £35.2M (28%) higher												
Costs for funding voluntary organisations for "easy access breaks"												
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Steady state in 2034-35 is now £26.1M higher												

Notes: These are all **additional costs**. However, the **additional £5M shown for "easy access breaks" in 2024-25 is not in the Scottish Budget**: we understand that current short breaks funding for voluntary organisations is planned to stay at £8M.

But as can be seen from the table and graphs, **all of the increase is in the costings for local authorities/ integration authorities/care boards**, the steady state 2034-35 costs are £35.2M (28%) higher than in the 2022 FM (at constant 2023-34 prices). By contrast, the smaller funding stream of grants to voluntary organisations for **"easy access breaks" has been reduced** by £9M (minus 23%). **It is not clear why this funding should be reduced**. We discuss this again later, setting out our reasons for believing that this should be urgently reviewed.



The reason for the overall cost increase is that, despite a lower figure being used for the number of carers, the 2023 revised costings now include some demography increases, and also some funding for replacement care when this is needed to enable young carers to take a break.

While we welcome these overall increases, **we still have many reasons to believe that the overall cost of carers' new right to a break from caring is significantly under-estimated.** We turn now to the substance of these concerns.

1. UNIT COSTS, INFLATION AND DEMOGRAPHY

Key concerns are that:

- there are problems with the unit costs used for short breaks and home care – these should be reviewed;
- the inflation used for carers breaks is not the same as used for NCS costs earlier in the revised FM;
- inflation rates will still need updating over the long implementation period;
- demography additions are welcome but are too low, and they will also need regular review over the long phasing of funding.

1.1 Unit cost issues

Table B shows the unit costs deployed in the 2022 and 2023 versions of the costing models.

Table B: Carer support unit costs used in the 2022 and 2023 NCS FM

Item	FM 2022	FM 2023	change
	2022-23	2023-24	
Cost per break (Carers Act FM, £300 uprated)	£360.00	£374.40	4.0%
Easy Access breaks per carer	£300.00	£330.00	10.0%
Care Home weighted average cost, £ per week	£981	£1,083	10.4%
Average Home Care cost £ per hour	£21.00	£21.16	0.8%
Cost of Young Carer Support Workers per FTE	£44,520.00	£48,300.00	8.5%

The first line shows the unit costs for Local Authority arranged breaks, ultimately based on a £300 figure in the 2015 Carers (Scotland) Bill FM⁸ from a 2012-13 report on *Time to Live* short breaks grants. Had the full inflation been applied to the original £300 figure from 2012-13 (using the same CPI dataset used elsewhere in the revised FM), then the **£374.40 unit cost would need to be increased to £402**, a 7% increase. Services organised by councils often have higher unit costs than those provided by the third sector, so **modelling council costs for short breaks on average *Time to Live* grants, might itself understate the LA costs.**

On the other hand, the average unit costs for “easy access breaks”, provided mainly by carers centres using Scottish Government Short Breaks funding to the third sector, do not appear to have increased over time:

The average grant made to a carer was £310.80. The average grant has remained consistent over the years with £304 being the average back in 2011.

Shared Care Scotland 2023 *Time to Live Impact Report 2022-23*⁹, page 9.

⁸ Footnote 51 on page 46 of FM 2015 said: “An assumed unit cost of £333 would therefore appear reasonable [for the costs of support to assessed eligible carers, based on UK Government estimates for England] and is known to be more than some of; the *Time to Live* grants which carers in Scotland receive directly from organisations which have been funded by the Scottish Government via Shared Care Scotland. [...] The evaluation of *Time to Live* (2012-13) quotes the average grant awarded as £304 but with considerable variation across the country”.

⁹ <https://www.sharedcarescotland.org.uk/media/shzd4i2g/time-to-live-impact-report-2022-23.pdf>

At the same time the number of carers using carers centres has increased, by 18% in 2022-23 alone, according to a Coalition of Carers in Scotland survey¹⁰. It would appear that carers centres do not have sufficient funding to maintain the value of short breaks payments, and therefore are spreading resources over more carers. Simply maintaining the 2011-12 unit cost of £300 for easy access breaks in the 2022 FM was not helpful, and whilst increasing to £330 in the revised FM is welcome, it is still well below the £400 required to cover 12 years of inflation.

Both these short break unit costs exclude the replacement care often needed for the person cared for to enable their carer to take a break. The costing model is based on different mixes between residential and home-based replacement care, depending on the intensity caring. The residential costs in Table B look reasonable, but as noted, the home care costs have scarcely moved from £21 per hour. That would mean that the mainly private sector providers would have to absorb living wage increases and other inflationary pressures. **That unit cost should also be reviewed.**

In Table B, the largest increase (10.4%) is for care homes (again part of the replacement care costings), partly correcting for an under-estimate in the 2022 FM¹¹; **that unit cost now seems reasonable.**

1.2 Inflation rates will need updating

As mentioned, the June 2022 FM presented the carers costings at 2022-23 prices, adding no inflation in the tables showing phased annual costs to 2034-35, whereas the costs for establishing and running the NCS included inflation of 2%-3% per year (not stated in the FM but in information provided to COSLA in July 2022). **We therefore welcome the new section on inflation on pages 10-11 of the revised 2023 FM.**

The updated inflation Table 1A on page 10 of the revised FM uses Consumer Price Index (CPI) estimates and forecasts made by Scottish Fiscal Commission (SFC) in May 2023, which in turn were based on the March 2023 Office for Budget Responsibility (OBR) report. However, OBR increased its forecast inflation estimates in its November 2023 report, subsequently adopted by SFC in its report on 19 December, after the revised FM was published. **Clearly the National Care Service inflation assumptions should be reviewed prior to inclusion of FM cost estimates in any future Scottish Budgets.**

Table D: Revised FM inflation is based on OBR March 2023 forecasts of CPI

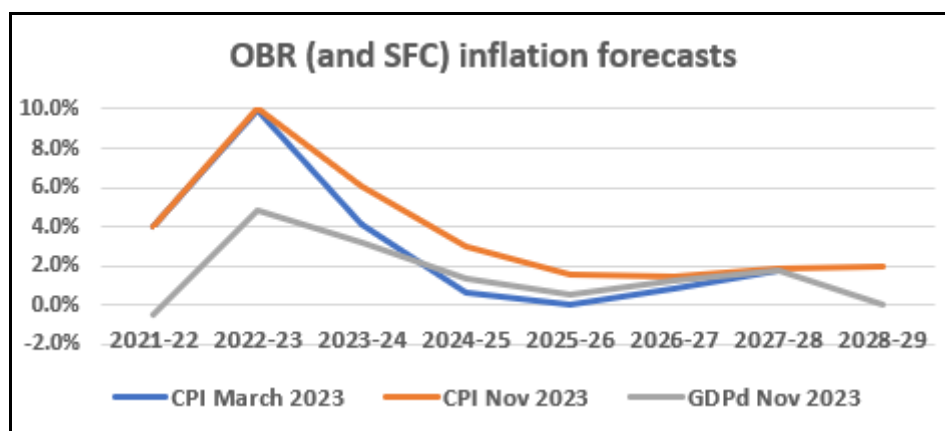
Source and date	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
BoE MPC, 1 Feb 2024	0.6%	4.0%	10.0%	5.7%	2.3%	1.9%	1.1%					
SFC, 19 Dec 2023	0.6%	4.0%	10.0%	6.1%	3.0%	1.6%	1.5%	1.8%	2.0%			
Revised FM**, 11 Dec 2023	0.6%	4.0%	10.0%	4.1%	0.6%	0.0%	0.8%	1.7%	2.0%	2.0%	2.0%	2.0%
OBR, 22 Nov 2023	0.6%	4.0%	10.0%	6.1%	3.0%	1.6%	1.5%	1.8%	2.0%			
SFC May 2023	0.6%	4.0%	9.9%	4.1%	0.6%	0.0%	0.8%	1.7%	2.0%			
OBR, March 2023	0.6%	4.0%	9.9%	4.1%	0.6%	0.0%	0.8%	1.7%				
Original 2022 FM, June 2022	2.3%	2.5%	6.2%	6.2%	2.0%	2.0%	2.0%					

Notes: this row** shows the inflation in Table 1A of the revised FM. BoE MPC= Bank of England Monetary Committee (2023-24 is mean of ONS and BoE estimates)

¹⁰ The Coalition of Carers in Scotland, *Carers Centres Funding Survey August 2023*, <https://www.carersnet.org/wp-content/uploads/2023/09/Carers-Centre-Funding-Report-Aug23FINAL.pdf>. (Based on responses by 21 carers centres).

¹¹ The care home “average weighted cost per week” combines the nursing home standard rate under the national care home contract (£888.50 for 2023-24, up 6%) with an estimate for a higher rate for complex cases. The reason the FM figure increased by more than 6% was because the original figure had used an inflated earlier figure which turned out lower than the 2022-23 national care home rate.

The Scottish Parliament's Finance & Public Administration Committee has recently questioned whether the Consumer Price Index is a better measure of inflation for public expenditure than the GDP deflator previously often used. Relevant forecasts from the OBR reports are shown in the graph below:



Historically, the CPI forecasts have generally been higher than those for the GDP deflator, and this is continued in the latest forecasts. The GDP deflator is a measure of price inflation over all the domestically produced goods and services in the economy as whole, rather than for only consumption goods, and is usually preferred for public expenditure. However, since CPI is widely used for pay bargaining, and the social care sector in particular is labour-intensive, there may be good reasons for using CPI inflation forecasts for this and other labour-intensive sectors within public expenditure, such as the NHS and local government¹². So-called “relative price effects” may also produce above average inflation, such as the Fair Work agenda in social care, or the drug bill or new technologies in the NHS.

The graph also shows the higher forecasts for future inflation in the most recent OBR and SFC reports than the earlier March 2023 figures used in the revised FM, noted in Table A.

1.3 Lower inflation is used for carers rights than for the National Care Service costs

For **uprating the revised cost NCS estimates**, the amended FM only uses the above CPI inflation rates for **non-staff costs** (page 10, para 25, second bullet). The position for staff costs was partly based on analysis of Scottish Government pay awards, averaging 2.8% (excluding the 2023-24 high inflation pay year):

The 2.8% average figure has therefore been applied to all staffs' future forecasts from 2025-26 onwards, the exception being direct care workers [...]. Pay inflation of 5% has been applied to this group to conform with historical averages and based on the ongoing Fair Work commitments. (Page 11, para 25, bullets 4 and 5).

By contrast, the **inflation used for costing carers rights** uses the CPI forecasts from the March 2023 OBR and May 2023 SFC reports for **all carer costs**, as confirmed by civil servants to COSLA in December 2023. In the revised FM, the inflation for carers costings is said to be “in line with the approach in the rest of the Financial Memorandum” (pages 41 and 43), but this is clearly not the case.

The revised FM starts the additional carer funding to Local/Integration Authorities from 2025-26, gradually building up to a “steady state” in 2034-35. Increases in “easy access funding” to voluntary organisations under existing powers¹³ starts the year before and reaches “steady state”

¹² The issues involved are important, and merit further investigation.

¹³ Paragraph 78 states on page 42 that the easy access funding is “not a consequence of the Bill (and is not included in the total costs of the Bill in Table 1)”. That is true in the sense that the funding can be already provided under existing legal powers; however, the increased funding for “easy access breaks” is in

in 2029-30. Both funding lines are inflated by **lower annual amounts** than the inflation assumptions used for the National Care Service.

Perhaps this is because the carers' costing model underpinning the revised FM does not currently separate staff and non-staff costs. However, we know that replacement care accounts for 61% of "steady state" costs – that is a service provided by paid staff, almost all of whom will come under Fair Work commitments and therefore would need to have been increased by 5% per year, to be consistent with what is said earlier in the Financial Memorandum. A proportion of the costing for personalised and easy access breaks will also have staffing implications. **So the use of the CPI inflation estimates and forecasts, which are only for non-staff costs in the rest of the FM, will under-estimate the inflation uplifts required for the implementation costs of new right for unpaid carers.**

1.4 Additions for "demography" are welcome but are too low

The revised FM also now includes an element for **demographic change in the numbers of carers**, mentioned under the "reasons for variations" sections on pages 41 and 43, but without any other details provided. Subsequent responses to questions from COSLA included the calculations¹⁴, which result in an additional £24.7M for demography at 2023-24 prices. If the period from commencement to reaching the intended "steady state" in 2034-35 were 10 years, say, that would mean average year-on-year change in net expenditure¹⁵ of 1.4% for demography (before inflation).

Certainly, acknowledging that demographic change will increase the demand for unpaid care is a welcome addition to the FM costings. However, the implied 1.4% annual growth figure is much smaller than the 3% demography¹⁶ used in addition to inflation in the "illustrative" Table 2 of the FM to uprate local authority and community health expenditure. **The implied 1.4% annual demography figure is far too low**, due to a number of factors including: the known under-reporting in the SG Carers Census "data under development"; the use of very wide age-groups which are insensitive to the fact that the need for care rises exponentially with old age, being highest in the 85+ age-groups that are the very ones with the highest population growth rates; and the fact that the LSE's model is more sophisticated and uses many more variables than the population age-structure alone.

2. NEW RIGHTS SHOULD INCREASE THE DEMAND FOR ASSESSMENT BUT NO COSTS HAVE BEEN INCLUDED

The right to a break from caring as set out in the Bill is a right to an assessed unmet need for a break to then be met *without* further eligibility criteria. Such assessments of need are the legal responsibilities of local authorities, and are likely to be undertaken mainly by local authority social

response to the Bill's provision of a right to a break, and for many will be the first point of contact with support.

¹⁴ Tables received from the SG use SG Carer Census data on the 5% of Scotland carers who are included in LA and carer centre returns, with the ages of people cared divided into three age-groups: <18, 18-64, and 65+. The numbers are then adjusted for projected population change between 2023 and 2034, producing an overall increase of 8% in the estimated numbers of people cared for over this period. The data source, and the age-bandings used, are both problematic -see main text above.

¹⁵ The cost funding model adds £24.7M demography to total gross costs of £309.2M and then subtracts £143.5M for estimated current funding to reach a net expenditure of £190.4M, all at 2023-24 prices, so the effective increase is 14.9% (ie £24.7M/£190.4M). Average annual % increases are *compound* so have been calculated using "geometric means": an average net increase of 14.9% over 10 years is 1.4%.

¹⁶ The 3% figure has a reasonable pedigree, apart from including an arbitrary 1% savings assumption, and was used in the SG's 2018 *Health & Social Care Medium Term Financial Framework*. It comes from ongoing academic work in England, funded for many years by the UK Government, and currently undertaken by the Care Policy and Evaluation Centre at the London School of Economics. Latest publication (2020) is available at: <https://www.lse.ac.uk/cpec/assets/documents/cpec-working-paper-7.pdf>

workers. Since the Carers (Scotland) Act 2016, such assessments of carers' needs have been known as *Adult Carer Support Plans* (ACSPs) and *Young Carers Statements* (YCSs).

No costs have been included for these additional assessments. Instead, as FM paragraph 75 explains, the costing model assumes that the “steady state” proportions of adult and young carers who have a current ACSP (34%) or YCS (64%) will be the same as assumed in the previous Financial Memorandum¹⁷ for the Carers (Scotland) Bill (passed in 2016, and implemented by additional funding to councils over the five years from 2018-19 to 2022-23). **By retaining these same percentages, it is implied, the need to fund additional assessments has been avoided.**

2.1 Reasons why additional assessment funding is needed

The FM assumptions are problematic for five reasons:

- (1) It is implausible to think that a new right to a break, contingent on assessed unmet need, will not result in additional demand for assessments. The Carers Act provided a right to an assessment, but with subsequent access to support dependent on meeting local eligibility criteria. So, the new right to a break without eligibility criteria should provide carers with much stronger reasons for requesting an assessment.
- (2) The revised NCS FM is based on higher carers numbers than the Carers Act FM so if we apply the assessment percentages used for the Carers Act funding to the higher numbers there will be adult and young carers for whom LAs have had no carer assessment funding.
- (3) The Carers Act FM was calculated at 2013-14 prices, enacted with phased implementation between 2018-19 and 2022-23. However, in each of the local government financial settlements, the funding passed to councils was never uprated for inflation, remaining stuck at 2013-14 prices. So, as a matter of fact, LAs have never had the full assessment funding intended in real terms.
- (4) The original Carers Bill FM estimate of a steady state of 34% of adults having a current assessment was largely based on 2013 Health & Care Experience Survey data on carers satisfaction with support received¹⁸ – all of which has since declined significantly over the decade of austerity – see table and graphs on the next page. So, if carer dissatisfaction remains a reasonable proxy for the need for an assessment, then the need for an assessment must be increasing above the 2015 estimates, and there is no basis for simply carrying them over into the NCS FM.
- (5) The costing model is based on Scottish Health Survey estimates that suggest over 1,000 young carers are providing 35+ hour of care per week, with another 1,000 providing 20-34 hours per week - surely young carers providing such volumes of weekly care should be offered a Young Carers Statement or alternative support.

The data discussed at point (4) above is shown in the table and graph below. Satisfaction rates fell sharply between 2019 and 2021 biennial surveys, no doubt largely due to the reduction in formal

¹⁷ The revised NCS FM gives the reference to the 2015 FM for the Carers Bill in footnote 11 on page 37: [https://archive2021.parliament.scot/S4/Bills/Carers%20\(Scotland\)%20Bill/b61s4-introd-en.pdf](https://archive2021.parliament.scot/S4/Bills/Carers%20(Scotland)%20Bill/b61s4-introd-en.pdf). Paragraph

¹⁸ See para 56 on page 39 of the 2015 FM:

“The estimate is that over time 34 per cent of adult carers will be the highest percentage of carers who will have an ACSP. This is based on a number of factors relating to the evidence including the fact that 44 per cent of carers currently feel supported to continue caring (Scottish Health and Care Experience Survey) but that some who do not feel supported will opt out of the ACSP because they want more support from family and friends: 32 per cent of carers reported that caring had a negative impact on their health and wellbeing (same survey); and 42 per cent of carers who provide 35 hours or more of care do not receive any support (Scottish Health Surveys 2012 and 2013). Moreover, some carers will continue to be assessed through the community care assessment/disabled child's assessment and other assessments and will not want the ACSP. Table 2 illustrates the build-up over five years to 34 per cent of adult carers with an ACSP. It has to be acknowledged that the percentage of adult carers with an ACSP might be more than 34 per cent over time but it is very difficult to be accurate about this”.

care and support during the Covid pandemic; however, the **long-term trend in carer satisfaction has been downward**, with the most likely explanation being the effect on support services of austerity, although the lack of good data on support services makes verification difficult.

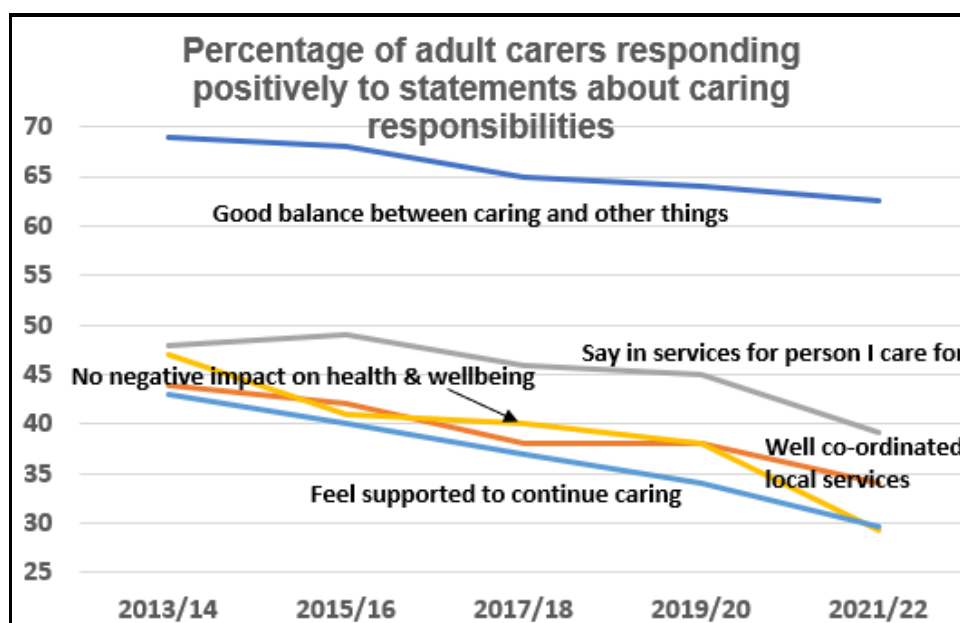


Table E: Percentage of people responding positively to statements regarding caring responsibilities (Scottish Health and Care Experience Surveys, biennial)

Statements	2013-14	2015-16	2017-18	2019-20	2021-22
a) I have a good balance between caring and other things in my life	69	68	65	64	62.5
b) Caring has NOT had a negative impact on my health and wellbeing	44	42	38	38	34.0
c) I have a say in services provided for the person(s) I look after	48	49	46	45	39.1
d) Local services are well coordinated for the person(s) I look after	47	41	40	38	29.3
e) I feel supported to continue caring	43	40	37	34	29.7

2.2 The data available on the number of carers' needs assessment in Scotland

Data on carers assessed by Local Authorities, and carers centres or other third sector agencies is supposed to be returned to the SG annually via the "Carers Census", established from 2018-19 to help monitor the Carers (Scotland) Act implementation. Despite continued efforts to improve the data quality, these are still badged as "data under development" and there are many missing and incomplete returns¹⁹, as acknowledged in the publication: "the figures reported here will be an undercount of the true number of carers being supported by local services".

Table F: SG Carers Census, last two available years – counts of carers with Adult Carer Support Plans and Young Carers Statements, and total number of carers on whom data was collected:

	2021-22	2022-23
Completed assessments	15,410	14,600
Uncompleted assessments (see text below)	12,150	16,570

¹⁹ See the most recent (December 2023) data quality statement at: <https://www.gov.scot/publications/carers-census-scotland-2022-23/pages/data-and-methodology/>, and also the 2023 Health Improvement Scotland report: <https://ihub.scot/media/9452/exploring-the-carers-census-discovery-report-v30.pdf>.

	2021-22	2022-23
Not known which	360	1,120
Total offered or requested ACSP or YCS	27,920	32,290
Missing data on known carers	14,130	12,020
Total known carers	42,050	44,310

The published data carries a significant health warning:

The figures presented here will also not be reflective of the true number of Adult Carer Support Plans (ACSPs) and Young Carer Statements (YCSs) or the support which carers receive under the Carers (Scotland) Act 2016. This is partly due to differences in data recording, but also due to differences in the way support plans are implemented. Some areas will only use an Adult Carer Support Plan or Young Carer Statement as an escalation if the carer's situation worsens. Others will have conversations with the carer about their role and needs and put support in place, but will not record the data as an ACSP or YCS.

The data presented on "uncompleted assessments" is also inherently ambiguous:

An incomplete ACSP or YCS means that the plan was offered or requested but not finished. This could be because the plan was declined by the carer, deemed to be not appropriate for the carer's situation or because the plan was still being put in place by the end of the reporting period (31st March 2023). This year, 24% of records with an incomplete ACSP or YCS were reported to be due to the plan being declined by the carer or being deemed not appropriate, and 6% were reported to be still being put in place.

Finally, no data is published on whether carers are being supported by carers centres, local authorities or both, despite the returns received going through a thorough "de-duplication process". Shared Care Scotland's *Time to Live Impact Report 2022-23*²⁰ states that over 11,000 carers benefited from the Scottish Government's Short Breaks Fund, but we do not know how many of these carers are included in the Carers Census.

Since 2019, the biennial **Health & Care Experience Survey (HACE)** – a large scale representative sample all adults and 17+ living in Scotland and registered with a GP – has included a question about whether respondents identifying as providing unpaid care have had an assessment of their needs. This is a snapshot count, the 2019-20 figure being collected roughly mid-point, so will be a smaller number than all carers having an assessment in the year, or having one still current from a previous year. Even so the 2019 figures reported that 8.7% of carers had an assessment, about **57,000** of the population aged 17+, and somewhat higher figure than the Carers Census.

The next HACE Survey in 2021 reported that only 3% of carers had an assessment, probably due partly to the adverse impact of Covid on carer assessment and support, and partly also because the wording of the question changed, being combined with new questions about short breaks, replacement care and other support in a multiple tick box format²¹. Some respondents ticked short-breaks and replacement care, but not assessment, and if we add these in (as services normally followed by an assessment) then 5.9% of carers had assessment (about **49,000** of the higher number of adult carers reported in the HACE 2021 survey). The 2023 HACE Survey is due to be published in May 2024, containing again a separate assessment question, so we will need to look again to see how the results have recovered from Covid.

In **conclusion**, there should be **an explicit government commitment to review the demand for carers assessments**, and **develop with partners an improvement plan for the Carers Census**. This should not be solely based on the SG Carers' Census, which is based on incomplete data submitted by councils and carers centres and so still badged as "data in development", but needs

²⁰ https://www.sharedcarescotland.org.uk/media/irblh2wd/scs_better_breaks_2022-2023_impact_report_.pdf

²¹ In 2019 it had been asked in a separate question in Yes/No/Don't Know format, so harder to skip. In HACE 2023 the assessment question returned to being a separate question in Yes/No/Don't Know format.

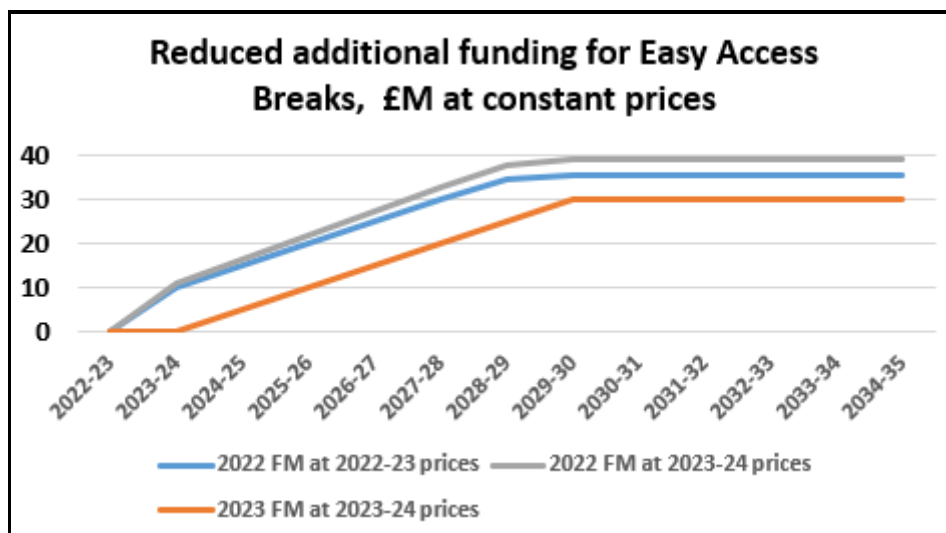
also take account of the higher numbers of assessments reported in the biennial SG Health & Care Experience Survey since new carer questions were added in 2019. **An improvement plan is also needed for the Carers Census**, as recommended by Health Improvement Scotland²².

3. REDUCTIONS IN COST ESTIMATES FOR “EASY ACCESS BREAKS”

Paragraph 70 of the NCS Bill FM is unchanged and states that:

The Scottish Government also intends to maintain a national short breaks fund, using existing powers⁷, to enable easy-access support for people in less intensive caring roles. This will build on existing non-statutory voluntary sector short breaks funding. [...] The Scottish Government is committed to increasing this funding to provide easy access to breaks for carers without the need for a support plan or statement. While this fund does not require new legislation, it will have an impact on the costs of providing the personalised support required by the provisions of the Bill, depending on the balance of whether carers access personalised support or easy access breaks. [Page 35].

However, **the much-needed investment in easy access breaks has been delayed and reduced over time in real terms** compared to the 2022 FM. The graph below compares the revised FM Table 12 for Easy Access Breaks at 2023-24 prices²³ (with demography), with the original Table 12 at 2022-23 prices (without demography):



All lines in the graph exclude inflation. The revised “**2023 FM**” (before inflation) phased additional funding for Easy Access Breaks starts at £5M in 2024-25, and increases by £5M per year to £30M in 2029-30. This is lower than the “**2022 FM**” line at the published 2022-23 prices, and lower still if we uprate the 2022 FM line for the increase in unit costs to 2023-24 prices (grey line), from £300 to £330 per person annually²⁴.

There appear to be **two main reasons for the reduced additional funding for Easy Access Breaks**:

- Changes in the number of adult carers used in the detailed costing model, which now undercount unpaid carers providing lower intensity care (discussed later in Section 5). The model for the 2022 FM estimated that nearly 119,200 carers would require Easy Access

²² <https://ihub.scot/media/9452/exploring-the-carers-census-discovery-report-v30.pdf>

²³ As provided in the supplementary tables received by COSLA

²⁴ Revised FM Table 9 on page 37. The footnote on this page states that the original unit cost of £300 was “based on feedback from providers of Time to Live and Take a Break Scotland grants” but does not mention the feedback was given in 2012.

Breaks; in the revised model this has been reduced to nearly 107,100, a reduction of 12,100 or 10%.

- The way in which the costing model converts gross to net costs has also changed²⁵, now taking off existing Scottish Government Short Breaks²⁶ funding of carers funding of £8M (discussed further in Section 6).

The graph also shows a one-year delay compared to 2022. However, **this delay is now increased to two years** as the proposed £5M grant increase in 2024-25 does not appear in the Scottish Budget.

Delaying and reducing the proposed investment in Easy Access Breaks is not consistent with prevention strategies. We already know that the existing short breaks grant schemes are over-subscribed and some need to close when spent out early each grant year. Several suppliers have also had to resort to 18 month or two year interval between applications from the same households, while others many have reduced maximum payment levels²⁷.

The development of local carers centres has been an important feature of the last decade, but their coverage is stronger in some areas than in others²⁸. In its 2022 response to the parliamentary committees' call for views, Social Work Scotland said there is **a strong case for a funded strategic investment programme in carer support infrastructure alongside increasing funding for Easy Access Breaks grant schemes**. That would also reduce pressures on local authorities, freeing them to concentrate on carers with complex or multiple needs for support, and on organising replacement care when needed for the person cared for.

Social Work Scotland supports the call from the National Carers Organisations, in recent meetings with the Minister, for the new right to a break for carers to be underpinned by a **national improvement strategy**, backed by sufficient investment, to guarantee unpaid carers' access to a diverse and readily available selection of short breaks and respite care, as recommended by IRASC. We agree that a **national task force** should be set up now.

It is clear that substantial investment in improved support to carers is necessary as a central part of the prevention strategy that is needed to sustain the NHS in Scotland and any National Care Service going forward. Investment is needed urgently to address the growing crisis in unpaid care, to restore support levels eroded by austerity and then by Covid. It is a matter for concern that the only measures of unpaid carer satisfaction that we have (from the Health & Care Experience Survey) all show significant decline over the last eight years – see graph in previous section.

4. OVER-LONG PHASING FOR FUNDING OF CARERS RIGHTS TO A BREAK

It is widely recognised across the UK that the health and social care systems are in a state of crisis. Yet whilst adequate support for carers is one of the most important factors in reducing, or deferring, demand and need for formal care services, most carers currently receive no support and **only 3-4% report having breaks from care**²⁹. A funded investment strategy for care support which addresses barriers to meeting the needs of carers in their communities, is an urgent priority, sitting alongside the welcome improvements to carers' benefits.

²⁵ As explicitly stated on page 12 of the Minister's letter to the F&PAC Committee, 11 December 2023.

²⁶ <https://www.mygov.scot/help-if-youre-a-carer/short-breaks-from-caring>

²⁷ Information provided to Social Work Scotland by Coalition of Carers in Scotland, January 2024.

<https://careinfoscotland.scot/topics/support-for-carers/carers-centres/> for the distribution of carers centres at January 2024.

²⁹ Scottish Health Survey data: 68% of adult carers reported receiving no support in the 2016-19 combined Scottish Health Surveys; and 66% in the 2018-22 combined surveys. 3% reported received "short breaks/respite" in Scottish Health Survey 2016-19 and 4% for 2018-22 - probably not a "statistically significant" increase.

It is important that additional short breaks funding it is delivered at the pace required to fulfil the new duty. The 10-year phasing still proposed by the revised FM delays authorities' ability to meet needs. That phasing estimate was based on inadequate Carers Census data on the numbers of assessments per year, but as we have set out above in Section 2, this source of "data in development" seriously undercounts carers supported by LAs and carer centres.

The Health & Care Experience Survey data on assessments are higher and **support a much shorter, 5-year implementation phasing**, as we set out in more detail in our 2022 submission³⁰.

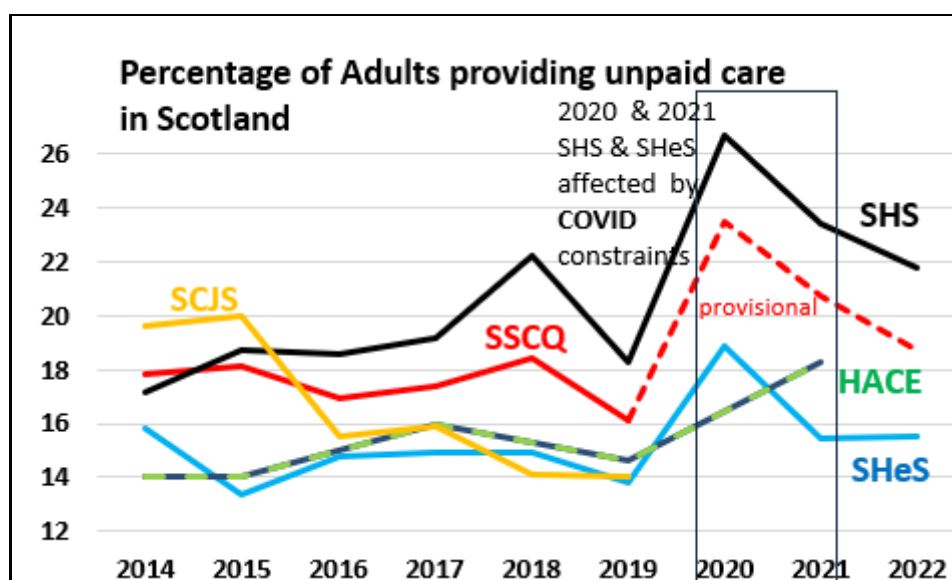
5. SOLE RELIANCE ON THE SCOTTISH HEALTH SURVEY FOR THE COUNT OF ADULT CARERS, WHEN THIS IS KNOWN FROM OTHER POPULATION SURVEYS TO UNDER-COUNT ADULT CARERS

5.1 Comparing the survey sources for the number of carers in Scotland

Whilst the Scottish Health Survey is the only Scottish population interview-based survey source for the number of young carers³¹, two other Scottish population interview-based surveys for adults have included since 2012 the key two carer questions (on prevalence and weekly hours of care) which form part of the *Scottish Surveys Core Questions* initiative, intended to provide more robust data for core questions, being based on the larger combined survey samples. The other two surveys are the Scottish Household Survey and the Scottish Crime and Justice Survey.

It makes sense, therefore to base the young carer numbers on the Scottish Health Survey as the only source, but to use the more robust *Scottish Surveys Core Questions* (SSCQ) when this is available for 2022 in March 2024 – 2022 being the first data year since 2019 which is not affected by the constraints on interview surveys due to the Covid pandemic.

The Scottish Government did not use the Scottish Health Survey only because it was the latest available data for adult carers at the time when the revised FM was available, but because they preferred to use data from the same survey for both young carers and adults³². However, it is known that the Scottish Health Survey consistently reports fewer adult carers than the Scottish Household Survey – see graph below:



³⁰ <https://socialworkscotland.org/wp-content/uploads/2022/09/SWS-NCS-FM-Funding-Carers-Rights-final.pdf> - see pages 16-18.

³¹ However, as noted by the Scottish Government in their 2015 FM for the Carers Bill, which estimated 44,000 young carers from earlier Scottish Health Surveys, "the number of young carers is likely to be an underestimate as young carers in particular may not identify themselves as such in a survey" (p26).

³² Correspondence between SG Carers Policy Branch and COSLA

The data in this graph has been built up over time by SWS partly from published data and also via various "ad hoc" requests for unpublished data, kindly provided by SG statisticians. Covid created a gap in the Scottish Criminal Justice Survey (SCJS) line, and we have yet to request the 2022 data. The dotted red line for the Scottish Surveys Core Questions (SSCQ) dataset is provisional as it does not include SCJS after 2019. Scottish Household Survey (SHS) and Scottish Health Survey (SHeS) data for 2020, and to a lesser extent 2021, is affected by small samples and a switch from interviews to telephone data collection, and is considered less reliable, albeit that the 2020 peaks are consistent with more people ill with Covid requiring care by partners and others, with formal care services also harder to access.

The biennial Health and Care Experience Survey (HACE) was less affected by COVID, being based on questionnaires (also containing question about caring) completed by a large random sample of adults registered with Scottish GPs. Carer prevalence rates based on are also consistently higher than the Scottish Health Survey carer rates in comparable years (2015, 2017, 2019, 2021; 2023 data is not available until May 2024).

5.2 Problems with using only the Scottish Health Survey for carers funding estimates

The graph shows that the Scottish Health Survey provides the lowest estimate for the number of adult carers in Scotland, consistently significantly lower than those from the Scottish Household Survey (SHS), an equally robust survey with a larger sample size, and also lower than the still larger Health & Experience Survey.

The explanation given by SG statisticians³³ for the higher SHS rate is that the SHS asks in-depth questions about volunteering before the unpaid carer questions; an examination of the interview schedules shows this is true although those questions are not immediately before the carer ones.

However, here is no suggestion that the SHS over-estimates the number of adult carers. On the contrary, unpaid care often goes unrecognised by the carer because it usually takes place within the context of care that partners provide to each other, or parents and children for each other, so particularly at lower levels may often be considered part and parcel of "normal" familial relations. If the hypothesis about the effect of the volunteering questions is the correct explanation, it would seem to be a reason for *preferring* the higher SHS prevalence rates. **For 2022, the SHS adults carer rate is 21.8% compared with 15.5% as used in the revised NCS FM.**

Evidence from recent SWS analysis of unpublished SHS data is that it captures more carers in the group providing lower volumes of weekly unpaid care. The best available hypothesis, then, is that the earlier volunteering questions help those carers recognise that the care they are providing to partners, parents or children is "unpaid care" – we know from other sources, eg the Decennial Census, that this group in particular is harder to capture in surveys. There is also clear evidence (from both SHeS and HACE, which ask questions about support) that the needs of this large subgroup, while likely to be lower, are not zero.

Data on carers will also be available later this year from the Decennial Census, deferred in Scotland to 2022. While this is a whole population census, and therefore avoids survey sampling bias, it is well known since the carer question was introduced in 2001 to under-report the numbers of carers providing lower amounts of weekly unpaid care. Since we need to include low intensity carers in the funding model, switching to the Decennial Census will not solve our problems, and in any case can only be updated every 10 years.

We therefore have two respected population sample surveys which significantly differ in their overall estimates for Scotland's adult carer numbers. **The most obvious and fairest solution in the circumstances set out above would be to use the combined Scottish Surveys Core Questions (SSCQ) dataset, when this is available for 2022 in March, and meanwhile base the costing model on the average of the 2022 results for Scottish Household Survey and**

³³ For example in: <https://www.gov.scot/publications/scotlands-carers-update-release-december-2022/>

Scottish Health Survey – shown in the red dotted line on the graph, a result which the Health & Care Experience Survey estimate also supports.

5.3 Impacts on the carers costing model and revised Finance Memorandum

It is not safe to assume that the 2021 peaks in the adult carer rates for the two surveys for which we had data are artifacts of Covid-constrained methodology; they more probably reflect the increase of unpaid caring in the first year of the Covid pandemic, as ill-health increased and formal services ceased or were restricted. For young carers, there is no choice but to use the 2022 Scottish Health Survey, but there is a valid choice for adult carers.

Some reduction in the modelled cost estimates were inevitable when moving to 2022 data, but the decision only to use the Scottish Health Survey for adult carer costing increased this reduction. That was offset by the change on the data source used to **segment the adult carer population** into four groups: providing under 20 hours of care per week, 20-35 hours, 35-49 hours, and 50+ hours per week. Segmentation had been recommended by Social Work Scotland originally in its critique of the Carers Act funding, because it is known that the need and provision of support rises on average according to the intensity of caring. In the 2022 NCS Bill FM, such segmentation used the 2016-19 Scottish Surveys Core Questions (SSCQ) dataset, but for the 2023 revised FM the Scottish Government changed this to the 2018-22 (excluding 2021) Scottish Health Survey weekly hours of care data. Since this Survey under-counts low intensity carers, the revised model showed relatively more cost in the higher intensity groups, and the next cost reduction was only about £2.1 million.

While the decision to include “demography” (discussed earlier) and uprate the units costs resulted in a higher cost figure for local authority short breaks and replacement care, the reduction in lower intensity adult carer numbers reduced the additional easy access funding (also discussed earlier) and thereby weakened preventative spend, in relation to more expensive breaks support requiring largely social work assessments.

Investment in carers centres infrastructure and short breaks grants has already been discussed. There also needs to be an explicit Scottish Government commitment to review the carer numbers in the funding model when the Scottish Surveys Core Questions (SSCQ) dataset for 2022 becomes available, and thereafter perhaps biennially as the prevalence of caring changes

6. PROBLEMS WITH THE ESTIMATES FOR CURRENT FUNDING, SUBTRACTED FROM THE MODEL'S GROSS OUTPUTS TO PRODUCE THE NET COSTS REQUIRED TO IMPLEMENT RIGHTS TO BREAKS FOR CARING FOR UNPAID CARERS

The Scottish Government's detailed spreadsheet costing model for carers breaks support calculates gross steady state costs, and then subtracts an estimate of current funding – see table on next page.

The model estimates current funding by first taking the 3% figure from the Scottish Health Survey for the number of adult carers who report having a break or “respite”, and then applies that to the total number of adult and young carers, multiplying from the average annual costs per carer (as calculated in the costing model for breaks support). This produces a total of £77.8M, to which is added £57.7M in Carers Act 2016 short breaks funding, resulting in a current funding estimate for Local Authorities (and Integration Authorities) of £135.M, which is deducted from the gross model figure of £295.7M, producing the total additional costs of £160.2M for LAs/IAs. From the gross additional costs of £38.1M for Easy Access Breaks, current Scottish Government funding of £8M is deducted³⁴, adding £30.1M to the total net additional costs which are then **£190.4M**.

³⁴ As already noted, this deduction was not taken off the gross Easy Access funding in the 2022 FM

The main problem is the estimated funding for the 3% of carers who have a break, since at best this can only measure *expenditure* rather than the element in local government *funding* for support to carers before the Carers Act. It also assumes that *all* of the 3% of carers are being supported to have their break by councils rather than *some* by family members, who remain the largest sources of support to carers.

Table H Transition from gross to net modelled costs for carers at 2022-23 prices.

Steady state, fully implemented costs at 2023-24 prices	Gross Model outputs	Estimated Current Funding	Net "steady state" funding"
	£M		
Local or Integration Authority costs			
Replacement care	200.474		
Adult carer breaks	86.729		
Young Carer activity enabling breaks	6.408		
Young Carer Support Workers	2.131		
LA / IA Totals	295.741	135.504	160.237
SG grants to voluntary sector			
Easy access breaks & support	38.158	8.000	30.158
GRAND TOTALS	333.899	143.504	190.395

Alternative sources of information on legacy funding to local authorities for support to carers can be found in the Scottish Government Grant Aided Expenditure statistics, although these are not without some problems since they are *inputs* to the revenue support grant calculations rather than funding *outputs*. However, this alternative source, which gives lower numbers for legacy funding, still has a more robust relationship to funding than the arithmetic around the 3% figure. **This crucial issue requires urgent review.**

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